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BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY COMMISSION

In the Matter of: )
) 19-BUSMTG-01
Business Meeting )
___________________________

CALIFORNIA ENERGY COMMISSION

THE WARREN-ALQUIST STATE ENERGY BUILDING
ART ROSENFELD HEARING ROOM - FIRST FLOOR
1516 NINTH STREET
SACRAMENTO, CALIFORNIA 95814

WEDNESDAY, JANUARY 9, 2019
10:00 A.M.

Reported by: Susan Palmer

CALIFORNIA REPORTING, LLC
229 Napa Street, Rodeo, California 94572 (510) 224-4476
APPEARANCES

Commissioners

Robert Weisenmiller, Chair
Karen Douglas
Janea Scott
Andrew McAllister
David Hochschild

Staff Present: (* Via WebEx)

Drew Bohan, Executive Director
Kourtney Vaccaro, Chief Counsel
Lisa DeCarlo, Staff Attorney
Kristen Driskell, Efficiency Division
Jackie Moore, Staff Attorney
Leonidas Payne, Energy Commission Project Manager
*Jared Babula, Staff Attorney
Erik Stokes, Energy Deployment and Market Facilitation Office
Alana Mathews, Public Adviser

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Nick Fugate  5
Al Alvarado  6
Rachel Salazar  7
Joshua Croft  8

Others Present (* Via WebEx)

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Scott A. Galati, DayZen LLC representing  2
Vantage Data Centers
Spencer Myers, Vantage Data Centers  2
Eric Poff, Sacramento Municipal Utility  3
APPEARANCES (Cont.)

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10. Lead Commissioner or Presiding Member Reports
11. Chief Counsel's Report

a. Pursuant to Government Code Section 11126(e), the Energy Commission may adjourn to closed session with its legal counsel to discuss any of the following matters to which the Energy Commission is a party:


ii. Communities for a Better Environment and Center for Biological Diversity v. Energy Resources Conservation and Development Commission, and California State Controller, (Alameda County Superior Court, Case No. RG13681262)

iii. State Energy Resources Conservation and Development Commission v. Electricore, Inc. and ZeroTruck (Sacramento County Superior Court #34-2016-00204586)


v. City of Los Angeles, acting by and through, its Department of Water and Power v. Energy Commission (Los Angeles Superior Court, Case No. BS171477).

11. Chief Counsel's Report (Cont.)

b. Pursuant to Government Code section 11126(e), the Energy Commission may also discuss any judicial or administrative proceeding that was formally initiated after this agenda was published; or determine whether facts and circumstances exist that warrant the initiation of litigation, or that constitute a significant exposure to litigation against the Commission.

12. Executive Director's Report

13. Public Adviser's Report

14. Public Comment

Adjournment

Reporter's Certificate

Transcriber's Certificate
CHAIRMAN WEISENMILLER: Good morning. Let's start the Business Meeting with the Pledge of Allegiance.

(Whereupon the Pledge is recited)

CHAIRMAN WEISENMILLER: I was just going to start with a couple of brief items. I think first, all of us want to welcome the new Governor. It's exciting times. Obviously, Governor Brown will always be in our history, in our hearts, but we wish he and Anne well and Colusa.

I was also going to just announce generally that we haven't finished this IEPR but the next IEPR, Commissioner Scott will be the lead on that. She's working on the scoping of it. It will probably focus primarily on transportation and equity issues. But just so everyone knows that part.

I'm going to make a slight adjustment to the schedule. Looking at sort of the number of attendees and time, I'm going to shift Item 2 to after Item 5. I think we have probably more people here for 4 and 5 than for 2, and 2 will take a fair bit of time given a closed session. So anyway, just giving people a heads up on the timing.

So let's start with the disclosures and then we'll go on to Consent.

COMMISSIONER DOUGLAS: Great. Thank you, Chair
Weisenmiller. So I have two disclosures. It is this time of year again and I'm teaching a renewable energy law class at King Hall at UC Davis. So on Item 1b on the agenda UC Davis is a prime contractor. On Item 7d UC Davis is a subcontractor on that item. And neither of those items pertain to the law school or the King Hall, but nevertheless I wanted to make this disclosure. Thank you.

COMMISSIONER MCALLISTER: On Item 1a I’m going to recuse myself. I'm on the Board of the Alliance to Save Energy. And that item is directly related to that entity and our membership there.

CHAIRMAN WEISENMILLER: Good. So let's take up on the Consent Calendar everything but Item a, everything but a, yeah so.

COMMISSIONER DOUGLAS: I move Consent Calendar except for item A.

COMMISSIONER SCOTT: Second.

COMMISSIONER MCALLISTER: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: So the Consent Calendar, except for Item a is passed 5-0.

So Commissioner McAlister is leaving the room.

(Commissioner McAllister left the room.)

CHAIRMAN WEISENMILLER: So now, let's go to Item
a.

COMMISSIONER DOUGLAS: Move Consent Calendar Item 1a.

COMMISSIONER SCOTT: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This passes 4-0, with one recusal.

So now again we're going to skip Item 2 and go directly to Item 3.

MS. DYAS: Good morning, Commissioners. My name is Mary Dyas. I'm with the Compliance Office of the Siting, Transmission, and Environmental Protection Division.

I'm the Energy Commission Staff Compliance Project Manager for the Sacramento Power Authority's Campbell Cogeneration Project. And with me this morning is Staff Counsel Lisa DeCarlo and staff is also in attendance.

Today, staff is requesting approval of a petition to amend the Commission Final Decision for the Campbell Cogeneration Facility to install a wet compression system upgrade to replace and upgrade existing burners and to increase the startup carbon monoxide emission limit to reflect actual startup emissions.

The 158-megawatt cogeneration project was
certified by the Energy Commission in 1994 and the project began commercial operation in 1997. The facility is located at 3215 47th Avenue in an unincorporated area of Sacramento County. The project is on approximately 5.8 acres adjacent to the former Campbell Soup facility, in which cogeneration ceased in 2016.

On November 2nd, 2018 the Sacramento Power Authority filed a Petition to Amend with the Energy Commission requesting to modify the Campbell Cogeneration Project to install a Siemens wet compression system upgrade in order to reclaim electrical production typically lost during high ambient temperature conditions, to replace the existing burners with upgraded Siemens HR3 burners, and to increase the startup carbon monoxide emission limit to reflect actual startup emissions. The modifications will not increase either electrical generation or fuel consumption beyond the existing license limits.

Staff determined that the technical area of air quality will be affected by the proposed project changes and has proposed Revised Conditions of Certification in order to ensure compliance with laws, ordinances, regulations and standards.

Staff recommends that four existing Energy Commission Conditions of Certification be modified to reflect the changes in the carbon monoxide limit. Staff
also recommends that 42 other Conditions of Certifications be modified with administrative changes to align them with the current permit with the Sacramento Metropolitan Air Quality Management District.

These revisions including the modifications of the carbon monoxide limit would not cause any additional air quality impacts or adversely affect the ability of the project to comply with laws, ordinances, regulations and standards.

On January 3rd, 2019 the Sacramento Power Authority submitted comments on staff's analysis and staff is in agreement with the comments.

On January 8th, 2019 an information request letter was docketed by the Union Pacific Railroad Real Estate Division. Staff contacted a representative of the Real Estate Division and confirmed that the response to the letter is only required if proposed work affects the railroad. In this particular case, the proposed Petition to Amend does not involve the railroad and therefore no response is needed.

Staff has determined that the changes proposed in the Petition to Amend comply with the requirements of Title 20 Section 1769(a) of the California Code of Regulations and recommends approval the project modification and associated revisions of the Air Quality Conditions of
CHAIRMAN WEISENMILLER: Thank you.

Let's go to Applicant.

MR. POFF: Good morning. My name is Eric Poff.

I am the Manager for the Thermal Generation Assets for SMUD. Beside me is Joe Schofield, the Deputy General Counsel for SMUD. And on SMUD's behalf, we would just like to thank the Commissioners for hearing the petition this morning. We would also like to thank the CEC staff, California Energy Commission staff for review and approval of the petition. And we also would like thank the Sacramento Metropolitan Air Quality Management District staff for their review and approval of the petition.

Finally, I'd like to address the letter that we received late yesterday from Union Pacific. I also reached out to the point of contact with Union Pacific earlier this morning and was informed, as CEC staff was, that the letter is a form letter that is sent out whenever they receive a notification. They receive approximately 5,000 notifications a year and this is their standard process.

I informed her that our project is specifically related to the combustion turbine building. It would have no impact on the railroad's right-of-way. And she informed me that no further action was needed.

We are open for any question that the Commission
CHAIRMAN WEISENMILLER: Thank you.

Let's start with are there any comments from anyone in the room? Any comments from anyone on the line?

(No audible response.)

CHAIRMAN WEISENMILLER: Then let's transition over to the Commission, to the full Commission.

Commissioner Douglas?

COMMISSIONER DOUGLAS: Well, just some brief comments. I've reviewed the materials on this proposed amendment and I support it. I think it obviously is important to be able to generate power that's needed during times when air temperatures are hot and the power's really needed. And so I think it's a valuable proposed change. I appreciate staff's rigorous review of the air quality and the update of the conditions to reflect that.

So I don't know if there are any other questions. In that case I'll approval of this item.

COMMISSIONER SCOTT: Second.

CHAIRMAN WEISENMILLER: Okay. All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: This item passes 5-0.

Thank you.

MR. POFF: Thank you.
CHAIRMAN WEISENMILLER: Let's go on to Item 4.

MR. GALDAMEZ: Okay. Good morning, Commissioners. My name I'm Alejandro Galdamez. I work for the Efficiency Division under the Appliances Office. I'm here seeking adoption of the regulation for air compressors and the negative declaration under CEQA.

I'm going to talk about what we concluded in regards to the requirements of the California Environmental Quality Act, CEQA.

The proposed standard will reduce electricity consumption, criteria pollutants and other particulates. The materials used for the manufacturer as well as the lifetime of the covered appliances will not change due to the proposed regulation.

We also did not receive any comments challenging our determination under CEQA where we determined that the proposed regulation has no significant adverse effect to the environment.

We therefore recommend for the Commission to adopt the proposed negative declaration under CEQA.

Going back to the proposed standard let me first give you some background for the regulation. The US Department of Energy published a final rule notice on December 5th, 2016. Unfortunately, DOE did not finalize the process and published the proposed regulation into the
Code of Federal Regulations Title 10. And since the rule was not published and therefore not finalized, California was not and is not preempted for setting the standard as a state efficiency standard.

The scope of the proposed regulation is compressors, air compressors that will -- for commercial and industrial air compressors that are rotary, lubricated, liquid or air cooled and have a fixed variable speed brushless electric motor, with nominal horsepower between 10 and 200 horsepower. In addition, the air compressor is only for those that operate under gauge pressure of 75 and 200 pounds per square inch.

The test procedure under the proposed regulation was finalized by the Department of Energy and therefore is incorporated by reference. It's located in the Code of Federal Regulations Title 10, subpart T, of Appendix A.

In addition, and in order to reduce test burden to manufacturers, we are proposing to allow for the use of alternative efficiency determination methods, or better known as AEDMs for compressors. This method is also incorporated by reference and is in the Code of Federal Regulations, Title 10, sections 429.63 and 429.470 to be exact.

The Energy Commission staff is proposing the same efficiency level as the one proposed under DOE. This graph
depicts that. It's the green line right here. Any compressor that performs on or above this green line is basically compliant. Any compressor under the line will have to be reengineered and cannot be offered or sold in California.

We determined or concluded that the proposed regulation is technically feasible since there are compressors that currently operate above or at the efficiency level of the previous slide.

In addition, there are technologies available for redesign. Some of examples of this are multi-staging, air-end improvements and auxiliary components improvement.

The Energy Commission agrees with DOE's determination that this and other technologies are currently available to achieve compliance to the proposed regulation.

To better illustrate the technical feasibility I am including this slide for one of the four different types of compressors that DOE studied. The graph is for a rotary fixed-speed lubricated air cooled air compressor.

As it can be seen here, the majority of available compressors under the scope are above the Efficiency Level 2, the blue line on the graph. I only included one graph since all the other three compressors are similar on the number of compressors that are already compliant to the
proposed regulation.

Energy Commission staff concluded, after receiving some comments, that the first year electricity savings calculated are for about 17 gigawatt hours, which equates to $2.4 million in savings for California.

The lifecycle annual electricity savings for California were concluded to be around 217 gigawatt hours per year. The annual net benefit was calculated to be approximately 22 million with a 3 percent discount rate.

This is a net benefit to cost ratio that varies from 2:1 to 6:1 depending on the type of compressor.

We received in total 11 comments. Three of them were in total support. Six of the comments supported the regulation, but wanted some changes. We also received two comments in opposition for the proposed regulation.

Energy Commission staff has concluded, after considering all the comments, that the proposed standard is technically feasible and cost effective. And recommends the adoption of the proposed regulation by the California Energy Commission, with a compliance date of January 1st, 2022.

With that, I have finished my presentation and I'm here to answer any questions.

CHAIRMAN WEISENMILLER: Thank you.

Let's start with public comments. Michelle
MS. CHESTER: Good morning, Commissioners. My name is Michelle Chester. I am with the firm of Somach Simmons & Dunn. And I'm here today on behalf of Atlas Copco North America.

We have been an active participant in the ongoing appliance energy rulemaking for the air compressors and appreciate the opportunity to comment on and discuss with staff the proposed rulemaking.

We are asking today that you postpone the vote on this item or deny moving forward with this rulemaking as written. We do support proposed requirements for air compressors, but as we've commented this support is contingent on revisions to the proposed regulatory language to allow for the use of historical ISO 1217 test data to certify compliance with the Energy Efficiency Standards.

The Commission's proposed rule intends to follow federal efficiency and testing procedures, but implementation of DOE's testing standard was suspended before manufacturers received the clarity they needed regarding procedures for compliance certification.

In order to provide manufacturers that certainty to certify compliance of their products for sale in the California market, and to provide certainty for consumers in the California market, we are asking that you explicitly
allow for use of historical ISO 1217 test data for compliance certification. We do not believe this approach would result in the sacrifice to the Commission's desire to energy efficiency goals.

The ISO 1217 test method is widely used by manufacturers and is proven to provide accurate readings of a unit's energy efficiency. While the DOE test method is based on the ISO 1217 test method, DOE test procedures differ most significantly in that it requires testing of two units of the same model, while the ISO 1217 test method requires testing of just one unit.

There are differences between the two test methods. But the differences do not result in significant differences between the data. Requiring use of DOE's test procedures would invalidate almost all historical ISO 1217 data since older tests were run on one machine, not two of the same model.

Additionally, the delayed operative date of January 1st, 2022 does not provide relief to manufacturers. Atlas Copco units manufactured before 2022 have already achieved the desired energy efficiency levels, as shown by prior ISO 1217 test data and methods.

Those same models with the same level of energy efficiency supported by ISO 1217 test methods and data cannot be certified for sale on the California market.
without the expensive and time-consuming task of retesting 
those models to the federal standard without any additional 
 improvements in energy efficiency.

Additionally, we are concerned that staff had not 
 responded to Atlas Copco's comments that an important 
 reference to the Code of Federal Regulations has been 
 omitted from the proposed regulatory language. This is 
 specifically Section 431.343 under Title 10, concerning the 
 federal test methods upon which the Commission's rules 
 rely. Additionally, because today's vote on this item was 
 noticed before the close of the 45-day comment period and 
 before the January 3rd hearing on this matter, we're asking 
 that you take the time to consider any comments. And we 
 believe that it prematurely foreclosed any possibility of 
 providing 15-day language responding to these comments and 
 revising the language.

CHAIRMAN WEISENMILLER: Okay. Thank you.

MS. CHESTER: Thank you.

CHAIRMAN WEISENMILLER: Charles Kim?

MR. KIM: Thank you, Chair. Thank you, 
Commissioners. I'm Charles Kim of the Southern California 
Edison company.

The proposed adoption is another example of the 
CEC's leadership on energy efficiency. CEC's leadership, 
therefore California's leadership on energy efficiency does

Southern California Edison, like many other utilities, has been incentivized in technologies including air compressors, so that our customer has a choice of purchasing more energy efficiency that brings savings and that uses the energy wisely. And the proposed regulation is going to bring more clarity to the baseline of our incentive programs that we don't have right now. And then it will continue act like a force for the market transformation. The market transformation, working with the regulatory folks with the incentive program, can clearly bring benefits to Californians.

And the second thing that I want to mention is that the proposed regulation is very, very cost effective. The cost/benefit ratio is ranging from 2:1 to 6:1. That gives an assurance that the proposed regulation will bring benefits to our customers, therefore Californians, greatly. That gives us assurance.

The other thing is that the proposed language is technically feasible. If you look at the existing compressors on the chart that your staff analyzed very diligently, not just one or two products meet those standards, existing products that I’m talking about, a majority. Some of them is like 5 percent of the market,
existing data, existing products already meet those
proposed regulations.

California's (indiscernible) used proposal, which
proposed a high level efficiency. That is also cost
effective. But knowing the sensible approach the CEC is
taking, and then knowing that there's an effort that has
been taken at the DOE, and then (indiscernible) therefore
in California to bring and save the opportunities to
California that shows our leadership once again and we care
about those opportunities. And I'm very, very appreciative
for the CEC taking those leads to make this one happen.

So my commend goes to all the staff: Alex, Leah,
Chris, Kristen, and Pat Saxton to make this proposal
possible. So once again, I'm very thankful for this
opportunity. Thank you.

CHAIRMAN WEISENMILLER: Thank you.

Is there anyone else in the room with comments?

Then let's go on the line. Please, Mr. Kuffman, (phonetic)
go forward.

MR. KNUFFMAN: Knuffman. Good morning,
Commissioners. Chris Knuffman, Quincy Compressor. We
appreciate the opportunity to comment. Quincy Compressor
makes rotary screw air compressors at our factory in Bay
Minette, Alabama. These machines are subject to the
Commission's proposed efficiency rule.
Quincy supports the adoption of the rule, provided it is amended to allow the use of accurate data from prior testing, in order to certify compliance with the efficiency rule. Right now, such data cannot be used. Quincy has conducted costly tests of its rotary screw air compressors using the federal DOE method this proposal would use to certify the compliance with the California standard.

Since the January 4th, 2017 DOE test method was published in the Federal Register, but primarily in the past 12 months with a very high priority in our R&D lab, Quincy has tested in excess of 60 different basic models and has published DOE data on Quincy Compressor's website. As many as 220 models must be shown to comply either with testing or mathematical methods validated with test data. Testing work to date would cost around $240,000 at third-party lab rates. Even though Quincy has used the correct tests and procedures, adoption of the proposed rule as written would preclude the use of these tests results to certify compliance. This is because no laboratory anywhere has been certified by California to conduct this federal test. Under current rules, it appears that no laboratory can be certified until early 2020. Nor does it appear that certification retroactively validates earlier test results, even though there is no question about the accuracy of the
Quincy Compressor asks that the Commission direct the issuance of a proposed amendment to fix this problem. Quincy asks that the Commission seek comment on the proposed revised language presented with Atlas Copco's December 21st, 2018 comments. Language which would include, and allow the use of prior DOE tests or prior industry test data from ISO 1217, on which DOE's methods are based. That revision would add language to Section 1606 of the rule to authorize such use as accurate prior test data for certification and validation.

Quincy understands that the adoption of such requested language would be subject to a 15-day notice and comment procedural requirement before the Commission can act and make the final action on such relief.

Thank you for your time.

CHAIRMAN WEISENMILLER: Thank you.

Is there anyone else?

MR. BOYCE: Good morning. My name is Brian Boyce. I'm with Energy Solutions on behalf of the California Investor Owned Utilities. Thank you very much for the opportunity to speak.

The IOUs strongly support the proposed commercial and industrial rotary air compressor standard before the Commissioners. The compressor standard will be a
significant achievement as it will be one of the first
standards in the world for this equipment. The standard is
technical feasible and cost effective. The Energy
Commission estimates that the standard will save 217
gigawatt hours of energy annually by 2035, the year of
stock turnover.

The Energy Commission should require the DOE test
procedure for compressors. The test procedure was approved
through a notice and comment (phonetic) rulemaking at DOE.
DOE made significant concessions to manufacturers between
the notice and proposed rule and final rule stages. The
changes brought the test procedure in closer alignment with
the industry standard test procedure, ISO 1217. Areas
where DOE continued to deviate from ISO 1217 included more
stringent sampling requirements and tighter tolerances.
This ensures accurate ratings.

The Energy Commission also made several
significant accommodations to manufacturers during this
rulemaking process. First, the effective date was extended
from one year after adoption to nearly three years, which
is much longer than the statutory requirements of the

Second, the Energy Commission is allowing AEDMs,
which reduces the physical lab test burden for
manufacturers, a practice typically employed at the federal
level, but unusual for California.

Third, manufacturers can use old test data if they can prove that the tests were conducted in accordance with the newer DOE requirements. Allowing older test data that is not DOE compliant is a risky move that could run afoul of preemption laws at the federal level.

Regarding the efficiency standard itself, the Energy Commission has elected to require a scope of products and efficiency levels equivalent to what DOE chose, known as Efficiency Level 2.

While the IOUs recommended EL3 due to its saving more energy, while still being cost effective, we understand that as this is the first energy standard for rotary compressors there is wisdom in choosing the lower efficiency level to allow the marketplace to transition to this new paradigm.

In summary, the Energy Commission has proposed a technically feasible energy standard for compressors based on the consensus-based DOE test procedure. California's standard is based on DOE's pre-published standard, which itself was mere days away from finalization in early 2017. The standard will be cost effective and would result in insignificant benefits for Californians. Thank you.

CHAIRMAN WEISENMILLER: Okay. Anyone else?
Okay. So staff, do you have any comments or any
responses to any of the comments?

MR. GALDAMEZ: Just that DOE test, oh sorry, I'm Alejandro again. The DOE test data that is currently happening right now under the DOE test procedure will be accepted for certification of the appliance. Just to clarify, because I think there's a little confusion if DOE test data that is -- I mean, DOE test procedure data that is currently being analyzed, because if they're following the DOE test procedure if that will be accepted by us. And the answer is basically yes.

COMMISSIONER MCALLISTER: Can I ask for sort of a deeper explanation of why Quincy's concerns that will allay concerns that were expressed by Quincy. Because I think there's some misunderstanding about what a certified lab actually is, so it would be good to have some deeper clarity on that.

MR. GALDAMEZ: You mean the process of how we go by certifying the lab?

COMMISSIONER MCALLISTER: Yeah. I mean, in the common -- I mean, maybe Kristen can explain, but in the common understanding of what a certified test lab is it's more like a nationally certified test laboratory, which is a much more complicated thing than what we're talking about here. So can one of you kind of dig into that a little bit?
MS. DRISKELL: Sure. This is Kristen Driskell. I'm the Deputy Director of the Efficiency Division.

We require test labs to come into our database as approved test labs. That is a different process from industry certification as Commission McAllister noted. What we require, among other things, is that the test labs have conducted the applicable test procedure within the 12 months before they come in for approval. So that's the 12-month window that Quincy is talking about if they can't use the test results 12 months before that, what do they do?

That just says that they've run the test procedures sometime in the last year. We're trying to emphasize that they know how to run the test, they've done it before. Any test results that are done according to the test procedure, whether they occur before the test lab is approved or after the test lab is approved, is fine for certification to our database. And our regulations are pretty clear on this and this is across all appliances, not specific to compressors.

Does that answer, help elaborate on that issue?

COMMISSIONER MCALLISTER: Yeah. And I guess the -- what does certification mean from our perspective in terms of it allows them to do what?

MS. DRISKELL: To be clear we don't certify test labs. We simply approve test labs. The requirements for
approval, I think there's five or six requirements. I mentioned the one about having conducted the tests in the last 12 months. They also have to certify that their test labs are calibrated according to the appropriate test methods and I forget all of the other requirements. I apologize, but it's a pretty simple process. It's a simple application to the Commission. You submit it through our database. And then within easily one to two business days we approve the application, unless we we're aware of an issue with that test lab.

COMMISSIONER MCALLISTER: So I guess what I'm trying to get at is that an industry -- an in-house testing lab is perfectly fine, right?

MS. DRISKELL: Yes. It's pretty common, actually.

COMMISSIONER MCALLISTER: Yeah. So I think hopefully you can get on same page with Quincy and allay those fears, because it sounds like they're doing the right thing and testing to the right procedure and will have the right data for us.

MS. DRISKELL: Yes. If I can briefly follow up on a couple of other comments that were made and make sure we respond to them here. So thank you for bringing up Quincy. That was a good response.

Atlas Copco also raised a few issues that I think
we should just touch on. They mentioned historical test
data under ISO 1217. And I just want to be clear that
manufacturers are required to submit data under penalty of
perjury to our database. And that the data that they're
submitting is based on testing that has been done in
accordance with the test procedures in Section 1604, which
is in this case the federal test procedure which we are
preempted from having a different test procedure, so that's
why we have that one in there.

If they are willing to certify that their test
data is in accordance with that test procedure in Section
1604 then we have no objection. If on the other hand, they
feel they need to retest in order to make that
certification, then that's what they will have to do. But
the burden is really on the manufacturer to make sure that
the test data they submit is in accordance with the DOE
test procedure.

They mentioned needing to test two units of the
same model. That may be true if they use an alternative
efficiency determination method. Sometimes that requires
sampling and using multiple tests of the same model or even
two different models tested. However, for our regulations
we only require testing of a single unit in order to
certify that test data to the database, for that model.

They mentioned incorporation by reference of 10
CFR Section 431.343. We don't feel it's necessary to incorporate that specific section. That section says DOE incorporates by reference ISO 1217. However, we incorporated the actual test procedure in Section 431.344, which in turn incorporates ISO 1217. So to incorporate 343 would be duplicative, so we didn't do it here. And we haven't done it traditionally in our regulations.

And last, Ms. Chester just touched on this at the end about having noticed this business meeting before the end of the comment period. This is not unusual and it's not a violation of either the APA or any due process requirements, unless Jackie Moore tells me otherwise, but I don't think she will.

And it's really something that we do as a matter of course. Had we decided as staff to propose 15-day language we could have either recommended to our Executive Director to pull the item before the business meeting, or come to you today and recommend that you send us back to the 15-day language, neither of which is our recommendation. We recommend moving forward with this proceeding.

CHAIRMAN WEISENMILLER: Okay. So let's transition to the discussion by the Commissioners.

COMMISSIONER McALLISTER: So thanks for that last
point. I was going to make it as well, and we'll just I think reiterate for emphasis that if we don't make any changes to what's already out there for 45-day then we don't need that extra time. It doesn't mean we haven't listened, right? We have listened and we've considered and that will be reflected in all the forthcoming documentation.

But if we're going to make changes then we have to extend. And so I guess really the question is whether these two test procedures are or are not equivalent. And it sounds like we, even Atlas doesn't think they are, and so it's pretty clear we have to use a new one. So I don't really see what if anything would change with more time. Industry has not put that sort of information in the record. And it seems that based on the statement they would not. So given that I think we should move forward, because this is the way it will end up. Any comments on this?

COMMISSIONER DOUGLAS: No. I found the discussion helpful though and appreciated staff's responses to the issues raised.

COMMISSIONER MCALLISTER: Yeah. And I want to just emphasize before the vote, the process is the lifeblood of this. And so I want to emphasize again that all the information that industry has at its disposal ought
to be put into the record if industry thinks that it's going to affect -- or anybody, any stakeholder -- that it's going to affect the outcome.

So I just seem to do this every time we vote on an appliance standard, but it all gets listened to and it all gets read and it all gets treated. So whether everybody doesn't have to agree and sing Kumbaya at the end, but that is the process. And so if folks want a different outcome they'd argue persuasively for it.

So with that, I'll move Item 4.

COMMISSIONER HOCHSCHILD: Second.

CHAIRMAN WEISENMILLER: All those in favor?

(Ayes.)

CHAIRMAN WEISENMILLER: Item 4 passes 5-0. Thank you.

Let's go on to Item 5.

MR. FUGATE: I believe I have a presentation. So good morning, Commissioners. My name is Nick Fugate. I’m with the Energy Assessments Division and I’m here today to propose adoption of an update to the California Energy Demand Forecast for 2018 to 2030. The forecast was originally adopted in February of 2018, and the update I’m presenting here reflects changes we have observed in the past year. Because our forecast is a biennial process, and because it is used by many agencies in annual planning, we provide these updates to ensure that planners are working